

**MINUTES OF REGULAR MEETING
ILLINOIS GAMING BOARD
April 18, 2006
CHICAGO, ILLINOIS**

NOTE: ITEMS IN **BOLDFACE PRINT** REFLECT OFFICIAL BOARD ACTIONS

On Tuesday, April 18, 2006 a Regular Meeting of the Illinois Gaming Board ("Board") was held in the conference room of the Gaming Board Offices on the 3rd floor at 160 N. LaSalle for closed session.

The following Board Members were present: Chairman Aaron Jaffe, Members Charles Gardner, Joseph Moore, Eugene Winkler and James Sullivan participated via telephone.

At 10:00 A.M. Chairman Jaffe called the meeting to order. Pursuant to Section 2(c), paragraphs (1), (11), (14) and (21) of the Open Meetings Act and Section 6(d) of the Riverboat Gambling Act, Member Gardner moved that **the Board retire to Closed Session to discuss the items listed under Closed Session on today's agenda and relating to the following subject matters:**

1. **Personnel matters;**
2. **Pending Litigation;**
3. **Investigations concerning applicants and licensees; and**
4. **Closed Session Minutes.**

Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

The Board convened its Open session at 1:40 P.M. pursuant to motion.

Approval of Minutes

Member Winkler moved that **the Board approve the closed and open session minutes of its Regular Meeting of March 6, 2006.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call.

Roll call was taken, and Judge Sullivan participated via telephone.

Chairman's Report/Comments

The Chairman stated that the legislature is in session. The Chairman stated that he was disappointed that nothing has been put on the front burner except for the special interest bills that want to take something from gaming revenues and put it some place else. The Chairman stated that the legislature should be more interested in public policy and what is going on in the State with regard to social programs and budget; rather than thinking about special interest bills.

Member Moore stated that he would like to recognize the Grand Victoria Casino; Randy Roberts, General Manager and thank him and his staff for putting together the outstanding Diversity Business Event that was held March 15, 2006. A portfolio was provided for all to see. Member Moore commented on how well put together the event was and he was extremely impressed. Member Moore also commented on the Business Fair at Navy Pier which was last Wednesday. He commented that Empress and Hollywood Casinos were present. Member Moore mentioned Roscoe Green, the Assistant General Manager of Hollywood Casino, who has been very supportive and made himself available to answer any questions.

Member Moore also mentioned that on May 2, 2006 there is going to be a Diversity Fair at Casino Queen in East St. Louis.

Administrator's Report

Administrator Ostrowski stated that he would like to thank the General Managers who participated in the General Manager's meeting held on April 17, 2006 to facilitate dialogue as it pertains to the Self-Exclusion Program. Administrator Ostrowski also stated that he will be meeting with Tom Swoik and further the discussions on the Self-Exclusion Program. Administrator Ostrowski also stated that Empress has extended an invitation for the Board to hold its June meeting at Empress' facilities. The date will be June 22, 2006.

Administrator Ostrowski stated that there were two revisions to the open session agenda, Casino Rock Island's Development Agreement, was removed, and Ms. More and Mr. Milne were notified. Aubrey Thomas' license review was held over to the May meeting.

BOARD POLICY ITEMS

Chief Counsel Fries stated that there were two items. He stated that today staff will be asking for the final adoption and publishing of Rule 800 dealing with digital surveillance.

- Rulemaking – Digital Surveillance and Tax Amendments

Member Moore moved that **the Board authorize the final adoption and publishing of proposed Rule 3000.800, Second Notice having been filed with the Joint Committee on Administrative Rules without any material changes to this proposed Rule, and the Joint Committee having issued a Certificate of No Objection on March 14, 2006.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

Member Moore moved that **the Board authorize the final adoption and publishing of proposed Rule 3000.1071, Second Notice having been filed with the Joint Committee on Administrative Rules without any material changes to this proposed Rule, and the Joint Committee having issued a Certificate of No Objection on March 14, 2006.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

Chief Counsel Fries went on to explain that the proposed bill was initially adopted as an emergency having to do with the changes to the tax structure, so a proposed rule change was filed.

- New Game – Texas Hold ‘Em Bonus Poker

Administrator Ostrowski went on to explain that this was a new game request from Harrah’s Casino Joliet and Par-A-Dice Casino. He went on to explain that this was a standard card game.

Member Gardner stated that each casino would be required to request approval.

Pursuant to Board Rule 3000.605, Member Moore moved that **the Board authorize the game Texas Hold ‘Em Bonus Poker as an approved game.** Member Moore further moved that **the Board direct the Administrator to include this game and the definition of this game on the list of Board- approved games and that this game not become authorized for play at any casino until approved by the Administrator for each owner licensee requesting authorization to offer this game.** Member Gardner seconded the motion. Member Winkler opposed the motion. The motion passed 3 to 1.

OWNER LICENSEE ITEMS

- Empress Casino Joliet Corporation – Rachel A. Barlo, Internal Auditor – Level One

Based on a review of the staff’s investigation and recommendation, Member Winkler moved that **the Board approve Rachel A. Barlo as a Level 1 Occupational Licensee of Empress Casino Joliet Corporation.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

- Elgin Riverboat Resort d/b/a Grand Victoria Casino – Mark D. Hemmerle, Assistant General Manager – Level One

Based on a review of the staff’s investigation and recommendation, Member Winkler moved that **the Board approve Mark D. Hemmerle as a Level 1 Occupational Licensee of Elgin Riverboat Resort d/b/a Grand Victoria Casino.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

- Harrah’s Joliet/Metropolis – Christine M. LaBombard, Director of Internal Audit, Eastern Division, Key Person

Based on a review of the staff’s investigation and recommendation, Member Winkler moved that **the Board approve Christine M. LaBombard as a Key Person of Des Plaines Development Limited Partnership d/b/a Harrah’s Joliet Casino & Hotel and Southern Illinois Riverboat Casino Cruises, Inc. d/b/a Harrah’s- Metropolis Casino.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

SUPPLIER LICENSEE ITEM

Administrator Ostrowski stated that Gemaco is up for license renewal. Tom Baranowski was present for Gemaco. Administrator Ostrowski stated that Gemaco supplies our casinos with playing cards and various table game layouts. Administrator Ostrowski stated that he would like to remind Gemaco that in the future that reports be filed in a timely manner.

- Gemaco Inc. – License Renewal

Based on a review of staff's investigation and recommendation, Member Gardner moved that **the Board approve the Supplier's license of Gemaco Inc., previously licensed as George C. Matteson Company, Inc., for a term of 4 years expiring in 2010.**

Further, Member Gardner moved that **the Board certify and approve the following entity, positions, and individuals as Key Persons of the licensee:**

1. GemGroup Inc.;
2. Chief Executive Officer;
3. Executive Vice President & General Manager;
4. Diana Kaye Summers;
5. Danny R. Carpenter; and
6. Thomas E. Baranowski.

Further, Member Gardner moved that **the Board authorize Gemaco Inc. to manufacture, sell or lease the following products in the State of Illinois:**

1. Playing Cards;
2. Table Game Layouts: Baccarat, Mini-baccarat, Blackjack, Caribbean Draw Poker, Caribbean Stud Poker, Craps, Let It Ride Poker, Let It Ride Bonus, Multi-Action Blackjack, Poker, Roulette, Royal Match 21, Single Hand 21, Spanish 21, Three Card Poker and War.

Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

OCCUPATIONAL LICENSES APPROVALS & DENIALS

Based on staff's investigation and recommendation, Member Moore moved that **the Board approve 52 applications for an Occupational License, Level 2, and 201 applications for an Occupational License, Level 3.**

Based on staff's investigation and recommendation, Member Moore moved that **the Board direct the Administrator to issue a Notice of Denial to Daniel Villalba, an applicant for an occupational license, who previously received notice that staff intended to recommend denial and either did not respond or provide additional information to rebut that**

recommendation. Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

PROPOSED COMPLAINTS AND DISCIPLINARY ACTIONS

Chief Legal Counsel Mike Fries stated that we have 7 recommendations for revocations.

- **Ralph Hoffman**

Based on the staff's investigation and recommendation, Member Moore moved that **the Board issue a Disciplinary Complaint against Ralph Hoffman, a Level 3 Occupational Licensee, for failing to comply with the Illinois Riverboat Gambling Act and the Board's Adopted Rules in relation to his admission that he stole credit cards from a patron's vehicle and used them to pay for gasoline.**

Further, Member Moore moved that **the Board revoke Mr. Hoffman's Occupational License. Said action to take affect twenty-one (21) days from the date of service of this complaint unless the licensee files an Answer within that time period.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

- **Jennifer Flowers**

Based on the staff's investigation and recommendation, Member Winkler moved that **the Board issue a Disciplinary Complaint against Jennifer Flowers, a Level 3 Occupational Licensee, for failing to comply with the Illinois Riverboat Gambling Act and the Board's Adopted Rules in relation to her admission that she stole tips on various occasions.**

Further, Member Winkler moved that **the Board revoke Ms. Flower's Occupational License. Said action to take affect twenty-one (21) days from the date of service of this complaint unless the licensee files an Answer within that time period.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

- **Bernitta Hicks**

Based on the staff's investigation and recommendation, Member Gardner moved that **the Board issue a Disciplinary Complaint against Bernitta Hicks, a Level 3 Occupational Licensee, for failing to comply with the Illinois Riverboat Gambling Act and the Board's Adopted Rules in relation to her admission that she took \$100.00 from a slot wallet stored in the first floor cage.**

Further, Member Gardner moved that **the Board revoke Ms. Hicks' Occupational License. Said action to take affect twenty-one (21) days from the date of service of this complaint unless the licensee files an Answer within that time period.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

- Rusty Schank

Based on the staff's investigation and recommendation, Member Moore moved that **the Board issue a Disciplinary Complaint against Rusty Schank, a Level 3 Occupational Licensee, for failing to comply with the Illinois Riverboat Gambling Act and the Board's Adopted Rules in relation to her admission that she failed to ring up alcoholic beverages in her cash register.**

Further, Member Moore moved that **the Board revoke Ms. Schank's Occupational License. Said action to take affect twenty-one (21) days from the date of service of this complaint unless the licensee files an Answer within that time period.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

- Jason Hendricks

Based on the staff's investigation and recommendation, Member Winkler moved that **the Board issue a Disciplinary Complaint against Jason Hendricks, a Level 3 Occupational Licensee, for failing to comply with the Illinois Riverboat Gambling Act and the Board's Adopted Rules in relation to his admission that he stole \$100.00 from his cage drawer on two occasions.**

Further, Member Winkler moved that **the Board revoke Mr. Hendricks' Occupational License. Said action to take affect twenty-one (21) days from the date of service of this complaint unless the licensee files an Answer within that time period.** Member Moore seconded the motion. The Board approved the motion unanimously by roll call vote.

- Corey Robinson

Based on the staff's investigation and recommendation, Member Gardner moved that **the Board issue a Disciplinary Complaint against Corey Robinson, a Level 3 Occupational Licensee, for failing to comply with the Illinois Riverboat Gambling Act and the Board's Adopted Rules in relation to his admission that he stole a checkbook from a vehicle that he valet parked which he sold for \$400 and from which 2 checks were forged and cashed.**

Further, Member Gardner moved that **the Board revoke Mr. Robinson's Occupational License. Said action to take affect twenty-one (21) days from the date of service of this complaint unless the licensee files an Answer within that time period.** Member Moore seconded the motion. The Board approved the motion unanimously by roll call vote.

- Robert Spain

Based on the staff's investigation and recommendation, Member Moore moved that **the Board issue a Disciplinary Complaint against Robert Spain, a Level 2 Occupational Licensee, for failing to comply with the Illinois Riverboat Gambling Act and the**

Board's Adopted Rules in relation to his admission that on at least three occasions he was a dealer for illegal poker games in Kentucky.

Further, Member Moore moved that **the Board revoke Mr. Spain's Occupational License. Said action to take affect twenty-one (21) days from the date of service of this complaint unless the licensee files an Answer within that time period.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

Chairman Jaffe stated that as you can see, we are catching up, but the problem we have is with other agencies of government which really do not want to move as quickly as we move. That being the case, we will catch up when we are able to hire the people that we need. We are short handed and we need a lot more employees. During the last period, we have employed two new attorneys. Chief Counsel Mike Fries introduced Bill Bogot and Erin Alexander.

ADMINISTRATIVE HEARING/ALJ REPORTS

Chief Counsel Fries stated that there were two matters.

- In Re: The Disciplinary Action Of Joseph Kiefer, No. DC-1-03 - Settlement Agreement

Based on staff's recommendation, Member Winkler moved that **the Board accept the proposed settlement agreement and delegate to the Administrator the authority to execute such agreement.**

Further, Member Winkler moved that **the Board authorize legal counsel to present the settlement agreement to the Administrative Law Judge for disposition of this matter, in accordance with the terms of the settlement agreements.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

- Tisha Lee – Request for Hearing

Based on staff's recommendation, Member Winkler moved that **the Board deny Tisha Lee's request for hearing.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

PUBLIC COMMENTARY

Tom Swoik, Executive Director, Illinois Casino Gaming Association addressed the Board. He stated that he and staff were looking into ways into which to make the Self-Exclusion Program stronger. A proposal of ideas were presented with the staff and another meeting will be set up to discuss the ideas.

Member Gardner went on to state that he appreciates the time and attention that Tom and his staff have paid to this issue and welcome what has been done so far.

Member Moore stated that he wanted to thank Tom for his encouragement of the General Manager's participation with the job fair at the Grand Victoria Casino.

Member Winkler went on to state the importance of the Self-Exclusion program.

Tom Swoik stated that he has worked with this program for a few years.

Chairman Jaffe stated that under new Administrator, Mark Ostrowski, the staff is moving at a great pace, and he is doing a tremendous job.

At 2:20 p.m. Member Winkler moved to adjourn . Member Gardner seconded the motion. The motion passed unanimously by roll call vote.

Respectfully submitted,

Mary C. Boruta
Secretary to the Administrator